SINO-i TECHNOLOGY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 250)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2007

INTERIM RESULTS

The directors of **Sino-i Technology Limited** (the "Company") hereby announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2007, together with the comparative figures for 2006 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT – UNAUDITED

For the six months ended 30 June 2007

		For the six months ended 30 June	
		2007	2006
	Notes	**HK$'000**	HK$'000
Revenue/Turnover	*3*	**339,013**	301,810
Cost of sales and services provided		**(39,949)**	(42,413)
Gross profit		**299,064**	259,397
Other operating income	*4*	**3,445**	2,741
Selling and marketing expenses		**(108,195)**	(96,590)
Administrative expenses		**(92,033)**	(71,527)
Other operating expenses		**(34,489)**	(19,827)
Finance costs		**(6,838)**	(5,242)
Share of results of associates		**–**	1,845
Profit before income tax	*5*	**60,954**	70,797
Income tax expenses	*6*	**(139)**	(9,503)
Profit for the period		**60,815**	61,294
Attributable to:			
Equity holders of the Company		**41,728**	54,895
Minority interests		**19,087**	6,399
Profit for the period		**60,815**	61,294
		HK cents	HK cents
Earnings per share for profit attributable to the equity holders of the Company during the period	*7*		
– Basic		**0.210**	0.276
– Diluted		**N/A**	N/A

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2007

	Notes	**(Unaudited) 30 June 2007 HK$'000**	(Audited) 31 December 2006 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**140,376**	54,914
Prepaid land lease payments under operating leases		**13,252**	12,972
Interests in an associate		**–**	–
Available-for-sale financial assets		**324**	324
Goodwill		**56,749**	56,047
Deposits		**295,561**	274,617
Other intangible assets		**60,605**	53,455
		566,867	452,329
Current assets			
Inventories		**906,781**	887,152
Financial assets at fair value through profit or loss		**4,427**	5,089
Trade receivables	*8*	**108,530**	145,992
Deposits, prepayments and other receivables		**790,262**	643,380
Cash and cash equivalents		**70,707**	43,067
		1,880,707	1,724,680
Current liabilities			
Trade payables	*9*	**32,914**	16,831
Other payables and accruals		**143,207**	109,554
Deferred revenue		**57,022**	61,573
Provision for tax		**21,993**	25,845
Amount due to a director		**134**	3,020
Amounts due to shareholders		**5,006**	5,006
Amount due to a minority shareholder		**12,000**	12,000
Amount due to ultimate holding company		**20,021**	52,744
Amount due to an associate		**5,509**	6,394
Bank and other borrowings		**165,291**	45,652
Finance lease liabilities		**169**	99
		463,266	338,718
Net current assets		**1,417,441**	1,385,962
Total assets less current liabilities		**1,984,308**	1,838,291

	Notes	**(Unaudited) 30 June 2007 HK$'000**	(Audited) 31 December 2006 HK$'000
Non-current liabilities			
Bank and other borrowings		**53,343**	14,788
Finance lease liabilities		**371**	181
		53,714	14,969
Net assets		**1,930,594**	1,823,322
EQUITY			
Equity attributable to the Company's equity holders			
Share capital		**199,145**	199,145
Share premium		**39,194**	39,194
Reserves		**1,470,237**	1,393,951
		1,708,576	1,632,290
Minority interests		**222,018**	191,032
Total equity		**1,930,594**	1,823,322

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2007

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and comply with Hong Kong Accounting Standard ("HKAS") 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants.

The unaudited condensed consolidated interim financial statements have been reviewed by the audit committee of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for financial instruments classified as available-for-sale and at fair value through profit or loss which are measured at fair values.

The accounting policies adopted in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2006. As described in the annual financial statements for the year ended 31 December 2006, the following new standards, amendments to standards and interpretations are mandatory for financial year ending 31 December 2007:

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment

The Group has carried out an assessment of these standards, amendments and interpretations and considered that they have no significant impact on these interim financial statements.

The following new standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted. The directors of the Company is currently assessing the impact of these standards and interpretations but are not yet in a position to state whether they would have material financial impact on the Group's financial statements.

HKAS 23 (Revised)	Borrowing Costs[1]
HKFRS 8	Operating Segments[1]
HK(IFRIC) – Int 11	Group and Treasury Share Transactions[2]
HK(IFRIC) – Int 12	Service Concession Arrangements[3]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 March 2007
3 Effective for annual periods beginning on or after 1 January 2008

3. SEGMENT INFORMATION

(a) The following analysis presents the Group's revenue, which is also the revenue and results for the Group's business segments for the six months ended 30 June 2007:

	For the six months ended 30 June 2007						
	Provision of financial information and related services HK$'000	Information technology business HK$'000	Property development HK$'000	Distance learning and application services HK$'000	Other segments HK$'000	Elimination HK$'000	Total HK$'000
Segment revenue							
– Sales to external customers	9,155	325,975	–	3,117	766	–	339,013
– Inter-segment sales	15,278	–	–	–	–	(15,278)	–
	24,433	325,975	–	3,117	766	(15,278)	339,013
Segment results	790	99,395	(1,224)	(4,138)	(2,366)	(15,278)	77,179
Interest income							187
Unallocated corporate expenses							(9,574)
Finance costs							(6,838)
Share of results of associates							–
Profit before income tax							60,954
Income tax expense							(139)
Profit for the period							60,815

	For the six months ended 30 June 2006						
	Provision of financial information and related services HK$'000	Information technology business HK$'000	Property development HK$'000	Distance learning and application services HK$'000	Other segments HK$'000	Elimination HK$'000	Total HK$'000
Segment revenue							
– Sales to external customers	16,793	277,899	–	6,510	608	–	301,810
Segment results	(494)	85,162	(832)	(3,059)	425	–	81,202
Interest income							518
Unallocated corporate expenses							(7,526)
Finance costs							(5,242)
Share of results of associates							1,845
Profit before income tax							70,797
Income tax expense							(9,503)
Profit for the period							61,294

(b) The following analysis presents the Group's revenue, which is also the revenue and results for the Group's geographical segments for the six months ended 30 June 2007:

	Revenue/Turnover For the six months ended 30 June		**Segment Profit/(Loss) For the six months ended 30 June**	
	2007	2006	**2007**	2006
	HK$'000	HK$'000	**HK$'000**	HK$'000
Hong Kong	**–**	–	**1,799**	(196)
The People's Republic of China ("PRC")	**339,013**	301,810	**75,380**	81,398
	339,013	301,810	**77,179**	81,202

4. OTHER OPERATING INCOME

	For the six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
Interest income	**187**	518
Net fair value gain on financial assets at fair value through profit or loss	**1,814**	–
Sundry income	**1,444**	2,223
	3,445	2,741

5. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	For the six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
Amortisation of intangible assets	**10,822**	5,827
Depreciation on property, plant and equipment		
– Owned assets	**8,350**	6,189
– Leased assets	**85**	33
Operating lease charges on prepaid land lease	**141**	134

6. INCOME TAX EXPENSES

Income tax expenses in the condensed consolidated income statement represent:

	For the six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
PRC Enterprise Income Tax		
Current tax – tax for the period	**139**	9,503
	139	9,503

No Hong Kong profits tax has been provided in the financial statements as the companies within the Group did not derive any assessable profits in Hong Kong (6 months ended 30 June 2006: Nil).

PRC Enterprise Income Tax ("EIT") has been provided on the estimated assessable profits of the subsidiaries operating in Mainland China at 33% (6 months ended 30 June 2006: 33%), unless preferential rates are applicable in the cities where the subsidiaries are located.

Certain subsidiaries of the Group are wholly-owned foreign enterprises in accordance with the Income Tax Law of the PRC for Enterprise with Foreign Investment and Foreign Enterprises and are entitled to full exemption from EIT for two years and a 50% reduction in the following three years thereafter starting from the first profit making year after offsetting prior years' tax losses.

In addition, certain subsidiaries that are located in the Beijing Economic-Technological Development Area are entitled to preferential PRC EIT rate of 15%.

Pursuant to the PRC Enterprise Income Tax Law (the "New Law") passed by the Tenth National People's Congress on 16 March 2007, the PRC EIT rates for domestic and foreign enterprises will be unified at 25% effective from 1 January 2008. The impact of the New Law on the Group's consolidated financial statements will depend on the detailed implementation rules and regulations which however have not been issued as of the date these condensed consolidated interim financial statements was approved. Therefore the Group cannot reasonably estimate the financial impact of the New Law on the Group at this stage. The Group will continue to evaluate the impact when more detailed regulations are announced.

7. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to the equity holders of the Company for the period of HK$41,728,000 (6 months ended 30 June 2006: HK$54,895,000) and on 19,914,504,877 (6 months ended 30 June 2006: 19,914,504,877) ordinary shares in issue during the period.

Diluted earnings per share for the six months ended 30 June 2006 and 30 June 2007 were not presented because the impact of the exercise of the share options was anti-dilutive.

8. TRADE RECEIVABLES

The normal credit period granted to its customers was ranging from 30 to 60 days. The aging analysis of trade receivables was as follows:

	30 June 2007 HK$'000	31 December 2006 HK$'000
0-90 days	**94,351**	43,069
91-180 days	**2,604**	3,631
181-270 days	**2,247**	58,646
271-360 days	**1,577**	1,468
Over 360 days	**34,081**	58,551
Trade receivables, gross	**134,860**	165,365
Less: Provision for impairment of receivables	**(26,330)**	(19,373)
Trade receivables, net	**108,530**	145,992

9. TRADE PAYABLES

The aging analysis of trade payables was as follows:

	30 June 2007 HK$'000	31 December 2006 HK$'000
0-90 days	**20,545**	11,585
91-180 days	**5,010**	1,862
181-270 days	**4,867**	383
271-360 days	**189**	332
Over 360 days	**2,303**	2,669
	32,914	16,831

10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current period's presentation.

INTERIM DIVIDEND

The directors do not recommend the declaration of the payment of an interim dividend for the six months ended 30 June 2007 (30 June 2006: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATION REVIEW

During the period under review, the Group was principally engaged in information technology business, provision of financial information and related services; and distance learning and application services. Turnover for the period was HK$339.0 million (6 months ended 30 June 2006: HK$301.8 million), and a net profit attributable to equity holders of the Company of HK$41.7 million (6 months ended 30 June 2006: HK$54.9 million) was recorded. The net asset value of the Group attributable to equity holders amounted to approximately HK$1,708.6 million, representing a value of HK$0.09 per share.

Information Technology Business

During the period, this division recorded an increase in turnover of 17.3% to HK$326.0 million (6 months ended 30 June 2006: HK$277.9 million) and a segment profit of HK$99.4 million (6 months ended 30 June 2006: HK$85.2 million).

CE Dongli Technology Group Company Limited ("CE Dongli")

Both the tremendous volume of clients available in the segment of SME and continuing increment of IT investment remained as the driving force of the IT market in China. Resulting from the long-term business relationships with SMEs, and continuing introduction of innovative products and provision of comprehensive services by CE Dongli, CE Dongli continued to post strong performance in this highly competitive market.

CE Dongli will continue to improve its business strategies, marketing and sales, technological research and development and service operation etc.; to increase innovation; to reallocate internal resources for synergies; and to enhance operating efficiency.

北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited) ("Xinnet")

It provides basic Internet application service for corporation in China. At present, Xinnet has 30 branches over the country, and has approximately 14,000 distributors. It also ranked number one in terms of hosting services in China.

Provision of Financial Information and Related Services

During the period, this division recorded a turnover of HK$9.2 million (excluding inter-segment sales) (6 months ended 30 June 2006: HK$16.8 million) and a segment profit of HK$0.8 million (6 months ended 30 June 2006: segment loss of HK$0.5 million).

北京世華國際金融信息有限公司 (Beijing Shihua International Financial Information Company Limited) ("Shihua") provides real-time and archived financial information, data, pricing, professional research and objective analysis to financial institutions and investors in China. Shihua's terminal and information subscription service is a comprehensive financial information platform in China; distributing information and data on domestic and global economy, futures, bonds, stock, FOREX markets, as well as key domestic industries. Shihua commands strong market shares in the financial information market in China. Its terminal and information subscription services provide information solutions specifically designed for banks, other financial institutions, educational institutions, enterprises as well as individual investors and the media.

Distance Learning and Application Services

During the period, this division recorded a turnover of HK$3.1 million (6 months ended 30 June 2006: HK$6.5 million) and a segment loss of HK$4.1 million (6 months ended 30 June 2006: HK$3.1 million).

北京華夏大地遠程教育網絡服務有限公司 (Beijing Chinese Dadi Distance Education Company Limited) ("Chinese Dadi") had developed more than 300 education software for clients. It also established comprehensive and in-depth collaborations with 29 provincial and municipal examination authoritative organizations, and established its branch offices in 8 major cities in China. Chinese Dadi has more than 940,000 registered on-line education users. The average daily page view of its website reached 5.8 million times, and reached 7.2 million times at peak hours.

The management is closely monitoring the development of this division of business and is determined to improve its performance in the near future.

Research and Development (R&D)

Currently, the Group's software R&D centre and technology operations centre equipped professional software engineers and system engineers respectively specializing in software R&D and technology operations, which significantly enhanced and strengthened the Group's capabilities in the areas of software development, IT services an IT infrastructural support. The software R&D centre has developed CBD (component based design) method for software development, and implemented stringent software developing process and

quality control system. The Group remains in a leading position in such technological aspects as DRM (digital right management), SOA (service-oriented application), Openoffice & Mozilla base on open source code, and IT application service system etc. The technology operations centre has been equipped with the abilities of software development and IT services for providing comprehensive IT services ranging from software development to integrated systems, business solutions, IT services support and management, and has fully implemented IT service management in international standards by referring to Information Technology Infrastructure Library, which has enhanced our IT services capabilities.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL

The Group continues to adopt prudent funding and treasury policies. As at 30 June 2007, the net asset value of the Group attributable to the equity holders amounted to approximately HK$1,708.6 million (2006: HK$1,632.3 million), including cash and bank balances of approximately HK$70.7 million (2006: HK$43.1 million) which were denominated mainly in Renminbi and Hong Kong dollars. As at 30 June 2007, the Group's aggregate borrowings was HK$219.2 million (2006: HK$60.7 million), including approximately HK$170.7 million were bearing interest at fixed rates while approximately HK$48.5 million were bearing interest at floating rates. The gearing ratio of the Group, measured on the basis of total borrowings as a percentage of equity attributable to equity holders of the Company, increased to 12.8% as at 30 June 2007 from 3.7% as at 31 December 2006. The increase in gearing ratio was mainly due to increase in total borrowing. The additional borrowing was mainly utilized to purchase the existing office premises in Beijing and other property, plant and equipment.

The Group's contingent liabilities at 30 June 2007 were HK$592.9 million due to the guarantees given in connection with credit facilities.

As at 30 June 2007, land use right with a net book value of approximately HK$13.3 million; leasehold properties with a net carrying value of approximately HK$75.0 million; certain properties held for development with carrying value of HK$559.3 million and listed securities owned by certain shareholders of Nan Hai Corporation Limited were pledged as securities for credit facilities. In addition, the Group's credit facilities was secured by corporate guarantee provided by a fellow subsidiary.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATE

The majority of the Group's borrowings and transactions were primarily denominated in Renminbi and Hong Kong dollars. Both the operating expenses and revenues were primarily in Renminbi. It is expected that the exchange rate of Renminbi will continue to appreciate resulting from the continuous strong economic growth in China. The Group's reporting assets, liabilities and profits may be affected by the Renminbi exchange rate. Although the

Renminbi exchange risk exposure is not significant during the reviewed period, the Group will keep on reviewing and monitoring the exchange risks between Renminbi and Hong Kong dollars, and may proceed to have some kind of foreign exchange hedging arrangements when appropriate and necessary.

EMPLOYEE

The Group employs and remunerates its employees based on their qualifications, experience and performance. In addition to basic salary payments, other benefits include housing, contributions to mandatory provident fund, group medical insurance, group personal accident insurance and examination leave. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the board of directors. In general, salary review is conducted annually. At 30 June 2007, the Group had approximately 8,388 employees (as at 30 June 2006: 6,455 employees). The salaries of and allowances for employees for the six months ended 30 June 2007 were approximately HK$134.1 million (6 months ended 30 June 2006: HK$114.0 million).

PROSPECT

The Group will keep on streamlining its businesses, enhancing overall synergies and efficacies, and to strengthening leading market position in its respective business areas. In addition, the Group will continue to invest and expand its current businesses for enjoying competitive advantage in those markets. The Group will strive to increase its market share by means of continuing mergers and acquisitions, and restructuring and re-allocation of internal resources.

The strong technical and product supports have been identified as the key factors to the success of the Group, therefore, the Group will continue to enhance the quality and professionalism of its technical teams, and R&D capabilities.

The Group will continue to focus on all current businesses, and to reinforce and expand its competitive advantage for achieving greater returns for the shareholders.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the six months ended 30 June 2007.

CORPORATE GOVERNANCE

In the opinion of the directors of the board (the "Board"), the Company has complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2007, except for the deviations mentioned below:

Code Provision A.2.1 stipulated that the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual.

The Company has not appointed a CEO. The role of the CEO is also performed by Mr. Yu Pun Hoi who is the chairman of the Company. The Board believes that vesting the roles of both chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term subject to re-election.

The non-executive directors of the Company are not appointed for a specific term. However, all non-executive directors are subject to the retirement and rotation requirements in accordance with the Company's articles of association. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Specific enquiries have been made to all the directors and the directors have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2007.

AUDIT COMMITTEE

The Audit Committee comprises all the independent non-executive directors, namely Mr. Huang Yaowen, Prof. Jiang Ping, Mr. Chan Lap Stanley and Mr. Fung Wing Lap. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed the financial control, internal control and risk management systems including the review of the unaudited interim results for the six months ended 30 June 2007.

By order of the Board
Yu Pun Hoi
Chairman

Hong Kong, 19 September 2007

As at the date of this announcement, the directors of the Company are as follows:

Executive directors:	Mr. Yu Pun Hoi, Ms. Chen Dan and Mr. Qin Tian Xiang
Non-executive directors:	Mr. Luo Ning and Mr. Lam Bing Kwan
Independent non-executive directors:	Mr. Huang Yaowen, Prof. Jiang Ping, Mr. Chan Lap Stanley and Mr. Fung Wing Lap